Fraud and Corruption Control Policy

Section 1 - Summary

(1) This Policy outlines the University's approach to controlling fraud and corruption in and against the University.

Section 2 - HESF/ASQA/ESOS Alignment

(2) HESF: 6 Governance and Accountability; 7.1 Representation; 7.3 Information Management

(3) Standards for RTOs: Standard 6, Standard 7, Standard 8

Section 3 - Scope

(4) This Policy applies across the University, to all people who are part of the University community, including:

a. Staff
b. Students
c. Consultants and contractors
d. Council members
e. Honorary, visiting and adjunct fellows
f. Research associates
g. Volunteers
h. For the purpose of this Policy, all of the above categories will be referred to as "staff" below.

(5) Any research and academic misconduct by staff and students will be dealt with under the Research Misconduct Policy, Research Integrity Policy and Procedures, and the Student Misconduct Procedure. Special procedures and protections apply to any person making a public interest disclosure under the Public Interest Disclosures Act 2012, as detailed in the Public Interest Disclosures Policy.

Section 4 - Definitions

(6) Fraud

(7) Corrupt Conduct or Corruption

(8) Misconduct in Public Office

(9) Improper Conduct

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Section 5 - Policy Statement

Part A - Principles

(10) The University is committed to the principles of honesty and integrity, and operates in an environment in which the highest standards of legal, moral and ethical conduct are expected, encouraged and supported. The University prohibits fraud, corruption and improper conduct of all kinds (including misconduct in public office).

(11) All persons to whom this Policy applies must report suspected fraud, corruption or improper conduct, as required by the Appropriate Workplace Behaviour Policy. Any external parties are also encouraged to report reasonable suspicions. See Part B below for further details on how to make reports.

(12) In response to breaches of this Policy, the University will investigate, take appropriate disciplinary action including dismissal, seek prosecution or civil action against offenders, and seek to recover funds or assets. Further details regarding recording and reporting incidents can be found in the Fraud and Corruption Control Procedure.

(13) Examples of conduct prohibited by the University include (but are not limited to):

a. Theft of equipment.
b. False invoicing for goods or services not provided or by falsely inflating the cost of goods/services.
c. Theft of cash.
d. Misappropriation or misdirection of resources or remittances.
e. Unauthorised use of a University credit card, gift card or stored value card.
f. Theft of intellectual property or confidential information.
g. Falsification of the University's financial statements, books or records.
h. Using the University's computer systems to extract or inappropriately alter information.
i. Misappropriation of wages or entitlements through unauthorised changes to account information or other means.
j. Failure to record leave taken.
k. Payment or receipt of secret commissions (bribes) e.g. an agent of the University bribing a person to secure a contract, or receiving a bribe from a supplier in exchange for giving them business.
l. Release of confidential information in exchange for some form of benefit or advantage.
m. Collusive tendering and bid-rigging – tenderers/suppliers agree to share information and not genuinely compete in order to control the outcome.
n. Payment or solicitation of donations for an improper purpose.
o. Conflict of interest - where a staff member has private interests that could improperly influence, or be seen to influence, their decisions or actions in the performance of their duties.
p. Nepotism and cronyism - hiring one's associates or family to perform a role for which they are inadequately qualified or not the best candidate.
q. Manipulation of the procurement process by selectively providing information to some tenderers.
r. Unauthorised use of University property for personal purposes.
s. Deliberately falsifying accounts to conceal or obtain a benefit.
t. Entering into a secret commission or profit sharing arrangement with another person.
u. Colluding to share profits with tender recipients and concealing the overvaluation of tenders.
v. Using public office to deceive a member of the public to gain a financial advantage.
w. Misusing power to harm, oppress or disadvantage a person.

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(14) The University seeks to implement a robust risk management system to prevent, detect and respond to fraud and corruption risks. The University will:

a. Ensure that staff and management are aware of their responsibilities for identifying corrupt or fraudulent activities and establishing controls and procedures for preventing such activities and/or detecting such activities when they occur.
b. Provide guidance to staff as to what is required when suspicion is aroused of activities that may be fraudulent or corrupt.
c. Provide a clear statement to staff that fraudulent, corrupt or improper conduct is not acceptable and will not be tolerated.
d. Foster an environment where all staff are aware of relevant policy and procedures, and actively supports staff to report conduct they suspect may be fraudulent, corrupt or improper.
e. Reduce opportunities for fraudulent, corrupt or improper conduct.
f. Ensure that appropriate action is taken if fraud, corruption or improper conduct is detected.
g. Establish an effective corruption and fraud reporting system.
h. Assess and investigate reports where appropriate.
i. Undertake all investigations in a thorough and independent manner.
j. Co-operate with any investigation by external authorities into fraud, corruption or improper conduct as required.
k. Report instances of fraud and corruption to external authorities as required by law.
l. Take active steps to support and protect anyone who makes a disclosure, either a Public Interest Disclosure or reports of suspected fraud and corruption through internal reporting lines.
m. Provide safety, protection and guidance to staff in circumstances where they are/could be victimised as a result of reporting, investigating or being a witness to fraudulent activities.
n. Seek to reclaim any money or other resources misappropriated through fraudulent or corrupt activity and will take appropriate disciplinary action against those found to have engaged in such activity.

(15) For further information on procedures to prevent, detect and respond to incidents, refer to the Fraud and Corruption Control Procedure.

Part B - Reporting Suspect Fraud Corruption or Improper Conduct

(16) All persons to whom this Policy applies must report suspected fraud, corruption or improper conduct. The Fraud and Corruption Control Procedure provides direction on the mechanism for reporting and investigating allegations of fraud and corrupt conduct. If a member of the University community has a suspicion of fraud or corruption, they must make a report via:

a. Immediate supervisor; or
b. The Fraud and Corruption Control Officer.

(17) The reporting system establishes the arrangements for dealing with allegations that are not public interest disclosures. Staff wanting to make a public interest disclosure should refer to the Public Interest Disclosures Policy and may consult with the Public Interest Disclosure Coordinator to make their report direct to IBAC.

(18) The Fraud and Corruption Control Officer is available for individuals to make reports or raise concerns with the assurance of confidentiality. If these conversations raise matters that could form the subject of a public interest disclosure, the Fraud and Corruption Control Officer will involve the Public Interest Disclosure Coordinator to advise the staff member that they should make the disclosure to the IBAC.

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(19) In accordance with the Standing Direction 3.5 2018 under the Financial Management Act 1994 the Fraud and Corruption Control Officer will ensure all instances of fraud and corruption are recorded on a central register, including details of any remedial actions planned and taken.

(20) Subject at all times to the Independent Broad-based Anti-corruption Commission Act 2011 and the Public Interest Disclosures Act 2012, should the report of suspected fraud or corruption involve a senior officer of the University, or be significant in terms of value or complexity, the Fraud and Corruption Control Officer will refer the report to the Chancellor via the Chair of the Compliance, Audit and Risk Committee (CARC) immediately. Otherwise the Fraud and Corruption Control Officer will report all suspected or actual fraud and corruption incidents to the CARC on a periodic basis.

(21) It is prohibited to undertake detrimental action against, or victimise those making disclosures. Any person named will be treated fairly and not disadvantaged if the results of the internal review show they were not implicated in improper behaviour.

(22) See the Fraud and Corruption Control Procedure for further details.

Section 6 - Procedures

(23) Fraud and Corruption Control Procedure

Status and Details

Status	Historic
Effective Date	8th September 2020
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Approval Authority	Vice-Chancellor
Approval Date	8th September 2020
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Accountable Officer	Matthew Walsh Chief Financial Officer officeofCFO@vu.edu.au
Responsible Officer	Lisa Filippin General Counsel lisa.filippin@vu.edu.au
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Glossary Terms and Definitions

"Corrupt Conduct or Corruption" - For the purposes of the Fraud and Corruption Policy and Procedure and mandatory notification to the IBAC, corrupt conduct is conduct, or an attempt or conspiracy to engage in conduct (whether it takes place inside or outside of Victoria) that: a. Adversely affects the honest performance of the functions of a public officer or public body; or b. Constitutes or involves the dishonest performance of the functions of a public officer or public body; or c. Constitutes or involves knowingly or recklessly breaching public trust; or d. Involves the misuse of information or material acquired in the course of the performance of the functions of a public officer or public body; or e. Is intended to adversely affect the effective performance of the functions or powers of a public officer or public body and results in the person or their associate obtaining a specified benefit* . The corrupt conduct would constitute an indictable offence against an Act, or the common law offences of attempt to pervert the course of justice, bribery of a public official, perverting the course of justice and misconduct in public office. Bribery is a type of corruption; the act of paying a secret commission (either in money or in kind) intended to: a. cause an employee to act contrary to the interests of the University; b. is contrary to the University's policy; or c. is against the public interest. A secret commission can be anything of value; any good or benefit reasonably perceived to be of worth. Examples may include gifts, travel, entertainment, hospitality, political contributions, charitable contributions, in-kind contributions, business, employment or educational opportunities, discounts, service, commissions or credit. *(Independent Broad-based Anti-corruption Commission Act 2011, Section 4 – https://policy.vu.edu.au/directory/summary.php?legislation=52.)

"Fraud" - Any dishonest activity causing actual or potential financial loss to any person or entity, including theft of moneys or other property, by staff or persons external to the University and where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit*. The theft of property by a person or persons internal to the University but where deception is not used is also considered 'fraud' for the purposes of the Fraud and Corruption Control Policy and Procedure. *(Australian Standard AS 8001-2008 Fraud and Corruption Control, page 15 - https://policy.vu.edu.au/directory/summary.php?standard=1).

"Misconduct in Public Office" - For the purposes of the Fraud and Corruption Control Policy and Procedure and mandatory notification to the IBAC, misconduct in public office is established if: a. A public officer in the course of, or

connected to, their public office wilfully misconducts themselves whether by act or omission, without any reasonable excuses or justification; and b. The misconduct is serious and meriting criminal punishment having regard to the responsibilities of the public office, the importance of the public objects they serve and the nature and extent of the departure from those responsibilities and objects*. Misconduct in public office is included as a type of improper conduct, for purposes of the Fraud and Corruption Control Policy and Procedure. *(Mandatory Notifications, Frequently Asked Questions
https://www.ibac.vic.gov.au/docs/default-source/mandatory-notifications/faq-s-for-mandatory-notifications.pdf).

"Improper Conduct" - For the purposes of the Fraud and Corruption Control Policy and Procedure and public interest disclosures*, improper conduct is conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal. Misconduct in public office is included as a type of improper conduct, for purposes of the Fraud and Corruption Control Policy and Procedure. *(What is a public interest disclosure? IBAC
https://www.ibac.vic.gov.au/docs/default-source/education-resources/fact-sheet-what-is-a-public-interest-disclosure.pdf?sfvrsn=42207775_10).